

PORTUGAL

13th Directive (86/560/EEC) VAT refunds

I. RECIPROCITY AGREEMENTS – ARTICLE 2(2)

1. Does your country have any reciprocity agreements?

Portugal doesn't have formal reciprocity agreements. However, both Liechtenstein and Switzerland asked for a declaration of reciprocity concerning VAT refunds in Portugal to their taxable persons. The reciprocity treatment was recognized by the Portuguese tax administration.

2. If yes, what countries are included in the reciprocity agreements?

Not applicable

3. What is the equivalent third country tax to which the reciprocity agreements relate?

Not applicable

4. What goods and services are allowable under the reciprocity agreements?

Not applicable

5. Are there any specific or additional rules applicable in relation to the reciprocity agreements?

Not applicable

6. If your country has no reciprocity agreements, do you still allow refunds?

Yes. In the case of taxable persons from Switzerland or Liechtenstein they have to present a certificate stating their status as taxable persons in their countries. Taxable persons from other third countries can also ask for a refund under the 13th Directive when they present a certificate issued by their tax administration stating their status as taxable persons of a turnover tax in their home country and declaring that Portuguese taxable persons have in that country the right to obtain a refund of the turnover tax.

II. TAX REPRESENTATIVES – ARTICLE 2(3)

7. Does your country require the appointment of a tax representative?

Yes. All taxable persons not established in the EU must designate a tax representative, with a proxy, to obtain a refund under the 13th Directive.

8. What conditions are imposed when appointing a tax representative?

All the obligations and formalities stated in the law must be complied with by the tax representative, namely the completion of the form and the presentation of the certificate stating the status of taxable person and that his State also refunds turnover tax to Portuguese taxable persons.

III. REFUND ARRANGEMENTS – ARTICLE 3(1)

9. What are the time limits that are applied for making a claim?

The refund arrangements are similar to those established for the refunds under the 8th Directive. So, the time limit for taxable persons of third countries asking for a refund is the last working day of June of the following year in which the tax became chargeable.

10. What periods are eligible for a refund?

The refund application can relate to a calendar year or the remainder of a calendar year if the amount is higher than 19.95 euros or relate to a period of three months if the amount is higher than 159.62 euros.

11. Where shall the applications be made?

The applications must be made to the following address:

Direcção-Geral dos Impostos
Direcção de Serviços de Reembolsos do IVA
Av. João XXI, 76, 5.º
1049-065 Lisboa

12. What is the minimum amount of VAT that can be refunded?

19.95 €

13. How can the applicant receive an application form?

The application form n.º 1496, that can be bought through the site www.incm.pt or in:

Imprensa Nacional - Casa da Moeda
Rua D. Francisco Manuel de Melo, 5
1099-002 Lisboa

14. What languages may be used for completion of the form?

In principle, the form must be completed in Portuguese. However, English, French and Spanish are accepted.

15. What information is requested on the application form? Please could you provide a copy of the form or a website link?

The form is the same used in refund applications made by community taxable persons under the 8th Directive. As such, the form reproduces the form in annex A of the 8th Directive.

<http://eur-lex.europa.eu/LexUriServ/site/en/consleg/1979/L/01979L1072-20040501-en.pdf>

16. Is any information optional? If yes, what information?

No

17. Who is authorised to sign the application form?

The tax representative or the taxpayer.

18. What evidence is required to support an application?

The third country applicant should add to his request the originals of the invoices, a certificate of his tax administration stating that he is a taxable person of a turnover tax in the country where he is established and recognizing that Portuguese taxable persons have in that country the right to obtain a refund of that turnover tax.

19. What time-limits does your country apply to making a refund?

The refund must be made within six months after all the elements are presented to the Portuguese tax administration.

IV. ELIGIBILITY – ARTICLE 4(2)

20. Are there any other conditions applicable?

No

21. Are certain types of expenditure excluded and if so which?

VAT concerning expenses excluded from deduction in Portuguese law.

V. MAJOR DIFFERENCES BETWEEN REFUNDS UNDER THE 13th AND THE 8th (79/1072/EEC) DIRECTIVE

22. What are the main procedural differences between applying for a VAT refund based on the 8th Directive and a refund based on the 13th Directive?

The main procedural differences between the refunds under the 13th and the 8th Directive are the imposition on third countries taxpayers to appoint a tax representative and to obtain a certificate issued by their tax administration stating that the Portuguese tax payers have in that country an equal treatment.

23. Do certain types of expenditure give rise to refund under the 8th Directive but not under the 13th Directive? If yes, please specify the types of expenditure.

No.